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TOURISM BRITISH COLUMBIA

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Tourism British Columbia
Annual Report
2008/09

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MESSAGE FROM THE CHAIR TO THE MINISTER RESPONSIBLE

Fiscal 2008/09 represents the last year of what will come to be known as the "pre-Olympic Games" era. This has been a time of remarkable progress in the British Columbia tourism industry, highlighted by several key events – such as being named Host Province of the Vancouver 2010 Olympic and Paralympic Winter Games, but also punctuated by many challenges such as 9/11, SARS, and the recent economic downturn around the world.

Each of these challenges has been overcome by emphasizing a strong approach founded in partnership and cooperation, and employing a longer-term perspective informed by meaningful research and steeped in industry knowledge. This has allowed British Columbia to have a particularly resilient tourism industry.

As an organization, Tourism British Columbia has succeeded due to a number of key factors:

- Legislated mandate
- Performance-based funding
- Diverse and knowledgeable Board of Directors
- Talented staff, values-based organization
- Industry leadership
- Corporate stability

With these factors as a foundation, Tourism British Columbia can measure success in many ways, including through corporate recognition. The value of this is to utilize both tourism industry benchmarks and professional marketing standards as indicators that corporate strategies and outputs are reaching the highest levels of excellence.

Since becoming a Crown corporation in 1997, some of the recognition that Tourism British Columbia has received includes:

2009

- **British Columbia Magazine™** - First Prize in the *Northern Lights* awards program for excellence in travel journalism.
- British Columbia Visitor Centre at Peace Arch completed to Gold LEED standard.

2008

- World Travel Market Global Award recognizing significant contributions to travel and tourism in 2008 (Nominated by *Canadian Travel Press*).
- **British Columbia Magazine™**
  - Magazine of the Year, Finalist, (over 40,000 Circulation category).

2007

- Tourism British Columbia's **HelloBC®** Blogs - Gold Award for Innovation for public sector organizations at the first *Canadian e-Tourism Awards*.
- Marketing Excellence:
  - Recognized by the *Canadian Marketing Association (CMA)* for Best International Marketing (honoured every year 2001-2007).
- Canada's Top 50 Companies to Work For - *Canadian Business Magazine*.

2006

- Two Gold CMA Awards for **BC Escapes**®.
- British Columbia wins "Golf Destination of the Year for North America" from the *International Association of Golf Tour Operators (IAGTO)*.
- British Columbia Visitor Centre at Golden completed to Silver LEED standard.

2005

- Three Gold CMA Awards for **BC Escapes**® and one Silver Award – Outdoor or Transit Advertising.
- Official Citation: "Tourism British Columbia has distinguished itself as a leader in tourism destination management, which the tourism industry of Mexico is studying closely. Its model of governance and excellence in marketing is a positive example for Destination Management Organizations around the world."*Gordon F. Viberg, Chair Tourism Industry Association of Mexico.*

2004

- 2nd Best Company to Work for in BC (*BC Business Magazine / Watson Wyatt*).
- Vice-President, Operations Rick Lemon selected as recipient of the William Van Horne Visionary Award, recognizing his role in creating **SuperHost**® (*Tourism Vancouver*).
- Silver CMA award: Direct Marketing, Leisure/Travel Products Category for 2003 **BC Escapes**® Campaign.

2003

- 12th Best Company to Work for in BC (*BC Business Magazine / Watson Wyatt*).
- CMA Award of Merit for Direct Marketing Excellence.

2002

- Excellence in Human Resources (cited by *Wayne Strelioff, CA, Auditor General for the Province of British Columbia*).

2001

- CMA Gold award - Direct Marketing, Leisure/Travel Products and Services Category for **BC Escapes**®.
- Best Ever Cover: 1995 Spring cover of **British Columbia Magazine**™ as "Best in Show" of all time great Canadian magazine covers (*Canadian Magazine Publications Association*).

2000

- Stellar Award presented to President & CEO Rod Harris (*BC Restaurant and Foodservices Association*).

1999

- Marketer of the Year (*BC Chapter of American Marketing Association*).

1998

- CMA Gold award: Best Direct International Marketing Program: **BC Escapes**®.

Tourism British Columbia's track record of significant and measurable achievement bodes well for the opportunity at hand, to optimize the full value of hosting the Vancouver 2010 Olympic and Paralympic Winter Games. At the February, 2009 BC Tourism Industry Conference, Premier Gordon Campbell officially unveiled **WorldHost**®, Tourism British Columbia's strategy for maximizing the benefits of the 2010 Winter Games and establishing a new foundation on which to accelerate future industry growth.

WorldHost® delivers a broad spectrum of tactics that incorporate all of the strategic elements deemed necessary to truly capitalize on the 2010 Winter Games long-term:

- Preparing Communities
- Showcasing Communities
- Inviting the World
- Motivating Customers
- Welcoming Visitors
- Maximizing the 2010 Olympic Games
- Growing Business Beyond 2010

In particular, Tourism British Columbia will continue to enhance online activities which will be the most effective tool to capture increased awareness of the destination both during and after the Games.

In terms of Tourism British Columbia's work with the Ministry of Tourism, Culture and the Arts, the organization will continue to work to implement the province's *Tourism Action Plan*. In addition, there is an enthusiastic, organization-wide commitment to meet the targets outlined in the provincial government's *Climate Action Plan*. Tourism British Columbia was an active partner in the creation of the BC Partnership for Sustainable Tourism.

Despite the competitive advantage of being Host Province for the 2010 Winter Games, the tourism industry in British Columbia has faced many issues that have the potential to further impact industry performance, including US exchange rates, border/security policies, air access and, most critical, the status of the global economy. Tourism British Columbia will continue to work with industry partners and the Ministry of Tourism, Culture and the Arts, to ensure the least interruption of potential growth.

The *2008/09 Annual Report* was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act* and the British Columbia Reporting Principles. The Board is accountable for the contents of the report, including what has been included in the report and how it has been reported.

The information presented reflects the actual performance of Tourism British Columbia for the twelve months ended March 31, 2009 in relation to the *2009/10-2011/12 Service Plan*. The measures presented are consistent with Tourism British Columbia's mandate, goals and strategies, and focus on aspects critical to the organization's performance.

The Board is responsible for ensuring internal controls are in place to ensure performance information is measured and reported accurately and in a timely fashion.

All significant decisions, events and identified risks, as of May 21, 2009, have been considered in preparing the report. The report contains estimates and interpretive information that represent the best judgment of management. Any changes in mandate, direction, goals, strategies, measures or targets made since the *2009/10-2011/12 Service Plan* was released and any significant limitations in the reliability of data are identified in the report.

This is truly a crossroads in the history of the British Columbia tourism industry, and for Tourism British Columbia as an organization. On behalf of the Board of Directors, I would like to offer my sincerest appreciation to the staff of Tourism British Columbia for all their efforts in setting the stage for the remarkable year ahead, and what should be at least a decade of success that will follow. Having personally observed the organization's previous decade of achievement, I have no doubt in the excitement that lies ahead. In addition, I would like to thank the Minister of Tourism, Culture and the Arts and his staff for their ongoing support and leadership.

Allen Tozer
Chair, Board of Directors

ORGANIZATIONAL OVERVIEW

Tourism British Columbia became a Crown Corporation in 1997. The purpose of the corporation is to promote development and growth in the tourism industry, to increase revenue and employment in the industry throughout British Columbia and to increase the economic benefits generated by the industry. Under the *Tourism British Columbia Act*, Tourism British Columbia is entitled to the net revenue collected under section 3.1 of the *Hotel Room Tax Act*.

The mandate of Tourism British Columbia, as defined in the *Tourism British Columbia Act*, is to:

- Market British Columbia as a tourism destination.
- Provide information services for tourists.
- Encourage enhancement of standards of tourist accommodation, facilities, services and amenities.
- Enhance professionalism in the tourism industry.
- Encourage and facilitate the creation of jobs in the tourism industry.
- Collect, evaluate and disseminate information on tourism markets, trends, employment, programs and activities, as well as on the availability and suitability of infrastructure and of services that support tourism activities.
- Generate additional funding for tourism programs.

Corporate Values

- Integrity – what we bring as individuals
- Enthusiasm – what we portray
- Teamwork – how we work together
- Progressive – what we strive for

These values reflect Tourism British Columbia's strong commitment to disciplined management practices and accountability, while ensuring a positive corporate culture. We are comfortable in the knowledge that our people are motivated and engaged and have the expertise needed to accomplish our goals.

Core Programs

Tourism British Columbia's core programs and divisions are aligned with the corporation's four goals:

Attract more visitors - programs in the Consumer Marketing division are geared to consumer and trade promotion to increase demand for British Columbia as a preferred travel destination in key geographic markets.

Maximize growth through partnership marketing - the Partnership Marketing division works directly with the British Columbia tourism industry to develop integrated planning and marketing programs through regional, city, community and sectoral partnership programs. This division is also responsible for the highly acclaimed **British Columbia Magazine**™.

Enhance world class visitor experiences - the Visitor Experiences division focuses on connecting the consumer with tourism product and information through various distribution channels including Visitor Centres, the call centre and its consumer website. A strong commitment to accommodation and service standards helps ensure a world class tourism experience.

Provide value to stakeholders – this goal is achieved through positive performance of the organization and the development and implementation of efficient financial, administrative, information and human resource systems.

Program Delivery

In addition to primary offices in Vancouver and Victoria, Tourism British Columbia maintains in-market representation in key markets including Australia, German, Japan, United Kingdom, South Korea and Taiwan.

Tourism British Columbia delivers many of its services and programs by leveraging its resources through various partnerships, including regional and city destination marketing organizations (DMOs), product sectors, Visitor Centre locations and other tourism organizations at the federal and provincial level.

CORPORATE GOVERNANCE

Tourism British Columbia is responsible to the Minister of Tourism, Culture and the Arts. It is governed by a 15-member Board of Directors, with management, financial and legal authority under the *Tourism British Columbia Act*. The Board provides policy direction and leadership to the organization and invests the CEO with the responsibility to implement the policies and programs of the corporation.

Governance Principles

The Board has adopted the following guiding principles of the provincial government's Governance Framework:

- Stewardship, leadership and effective functioning of the Board
- Clarity of roles and responsibilities
- Openness, trust and transparency
- Service and corporate citizenship
- Accountability and performance
- Value, innovation and continuous improvement

Governance Practices

Tourism British Columbia's governance model has been in place since 2006, utilizing a skills-based approach to identify high-potential candidates for appointment. Since implementation, several new Board members have successfully joined the organization.

Crown agencies are required to disclose the status of their governance practices in relation to Section 3 of the Board Resourcing and Development Office's *Best Practice Guidelines for Governing Boards of BC Public Sector Organizations*. Tourism British Columbia is fully complying with these governance and disclosure guidelines, as detailed on our website at www.tourismbc.com.

See Appendix 1 for biographies of our Board members and Board committee members.

REPORT ON PERFORMANCE – INDUSTRY

Overall performance of the tourism industry provides important context for Tourism British Columbia's short and long-term marketing decisions.

The chart below highlights the key industry indicators and growth targets that are needed in order to achieve the objective of doubling provincial tourism revenues by 2015.

Calendar Year:	2007 Actual	2008 Target	2008 Actual	2009 Target	2010 Target	2015 Target
Goal						
1. Provincial tourism revenues** (billions)	$13.2	$13.1	*$13.8	$13.3	$14.1	$19.6
Targets: Demand						
1. Overnight custom entries (millions)	4.9	4.7	4.5	4.4	4.7	7.0
2. Room revenue – annual increase	8.4%	(1.1%)	0.4%	(3.7%)	6.1%	5.0%
Targets: Supply (000s)						
1. Airlift capacity (seats – millions)	11.2	11.4	11.4	12.0	12.7	15.2
2. Accommodation (rooms 000s)	85.7	84.4	85.0	86.4	91.8	99.0
3. Tourism Employment (thousands)	126	128	*128	132	135	150

*Estimate

** Notes on Amended Measure

BC Stats has worked with Tourism British Columbia to introduce an improved methodology for measuring total Provincial Tourism Revenues, which is more comprehensive, reliable, timely, and cost effective. The new methodology is also more consistent with how growth in other sectors (such as forestry, mining and high technology) is measured. Revenue targets are expressed in billions of dollars.

With the new methodology, the Provincial Tourism Revenues baseline is $9.8 billion in 2003, with the long-term goal of doubling that to $19.6 billion in 2015. This measure is calculated on a calendar year basis.

A significant indicator of market performance is customs entries data, which captures visitation from British Columbia's international markets. Overall, overnight customs entries from all international markets for 2008, was down slightly from 4.9 to 4.5 million from the previous year. This is largely due to a continued decrease in entries from the United States (down 9.5%) as well as a result of increased air capacity to nearby provinces which diverted visitors from British Columbia points of entry to Alberta or Ontario points of entry.

Despite poorer performance from the international market, the domestic market performed relatively well which is reflected in the performance of the accommodation sector. Room revenues remained stable at 0.4% growth in 2008 over 2007. The corresponding increase in the average daily room rate was 3.7%, which compensated for an average decrease in occupancy rates of 2.0 points. This shows that while there was a slight contraction in demand in the latter half of 2008, pricing remained strong throughout the year.

Airlift capacity rose in 2008 by 1.4% mainly due to increased air capacity on routes within British Columbia and from overseas during the first three quarters of 2008.

Average room supply decreased marginally from 85,700 to 85,000 largely due to decreases in the Vancouver, Coast and Mountains region, although other regions experienced small reductions in supply as well. BC Stats revised their data series, and targets have been revised accordingly.

REPORT ON PERFORMANCE – CORPORATE

Tourism British Columbia works towards achieving two long-term outcomes:

- Doubling provincial tourism revenues by 2015.
- Maximizing the long-term tourism benefits of the Vancouver 2010 Olympic and Paralympic Winter Games for all of British Columbia.

To accomplish these outcomes, Tourism British Columbia has identified four primary goals. As the corporation continues to strive to improve its performance measurement system, some goals and performance measures have been changed or enhanced beginning with the *2009/10 Service Plan*.

1. **Attract more visitors**

2. **Enhance world class visitor experiences**

3. **Maximize growth through partnership marketing**

4. **Provide value to our stakeholders**

Goal 1: Attract more visitors

Goal 1 is the primary goal of the Consumer Marketing division. Tourism British Columbia targets a balanced portfolio of key North American and Overseas markets, executing a range of consumer driven strategies and tactics. These activities are designed to increase awareness and to convert that awareness and familiarity into intent to visit and ultimately tangible business.

The key programs included:

Online Programs
Japanese, Korean, Taiwanese and German websites were integrated into the main platform to provide rich information about British Columbia tourism experiences and products to these markets. A media website and a website to assist spectators to the 2010 Winter Games were created to support 2010 related activities.

The **HelloBC**.com website continues to expand with content and functionality to feature more communities, more experiences and more tourism businesses. A program to enhance the content for all 139 communities featured on **HelloBC**.com was started while field reporters were filming across the province for publishing on YouTube and **HelloBC**.com.

Marketing – North America

Touring/Getaway Campaigns

The spring/summer 2008 **BC Escapes**® program targeted frequent travellers in British Columbia, Alberta, Ontario, Washington and California. Consistent with our service plan, an evolution of consumer direct campaigns was introduced. In summer 2008, an incremental campaign with an online promotional sponsorship with NBC Olympics took place during the 2008 Summer Games. This campaign was designed to tap into the Olympic audience, and to provide exposure for British Columbia leading up to the 2010 Olympic and Paralympic Winter Games. As well, **BC Escapes**® transitioned into a new spring 2009 "Welcome the World" campaign designed to leverage the exposure and increased awareness due to the 2010 Winter Games.

Outdoor Adventure

Tourism British Columbia deployed an outdoor activity focused campaign targeting a younger, more active audience. Elements included magazine, online marketing and direct mail. Target markets included California and Washington, as well as British Columbia, Alberta, and Ontario.

Ski/Winter

A campaign targeting destination skiers was deployed in key markets of Ontario, California, Washington, Alberta and British Columbia. The creative platform leveraged the 2010 Winter Games to create a positive association with ski experiences in British Columbia.

Consumer Publications and Listings

Travel to British Columbia was promoted through development and distribution of publications and promoting visitation to the Tourism British Columbia website. Net revenue targets were achieved, and over 2,800 accommodation operators and 1,000 tourism businesses participated in the **HelloBC**® Listings Program, gaining exposure to consumers through publications and worldwide websites.

Media Relations

Investments in media relations were increased to enable development and implementation of the 2010 media relations plan in concert with the 2010 media relations consortium. Relationships with key broadcasters around the world have been successfully established, with destination coverage related to the upcoming Games already increasing. One specific highlight was the airing of an unpaid Destination 2010 vignette during the 2009 Superbowl television coverage. This exposure is a testament to the success of the media relations consortium efforts. Continued efforts to reach traditional travel outlets also delivered strong results. British Columbia represented 25 % of all Canadian print coverage tracked by the Canadian Tourism Commission (CTC) in 2008.

Golf and Wine/Food Campaigns

Golf experiences were highlighted in a campaign which promoted British Columbia's unique diverse golf opportunities. A wine and food focused campaign was also deployed, successfully promoting wine and food experiences through British Columbia's three main wine regions.

Trade Education and Cooperative Marketing
British Columbia's position with the travel trade was maintained through education including familiarization tours, cooperative marketing and sales activities. Tourism British Columbia delivered 23 trade co-op marketing programs, 61 educational seminars, 21 familiarization tours, led 20 sales missions and achieved a 50 % share of tour operator Canadian listings. **HelloBC**.com.mx, the Spanish language website, was expanded and visitation continues to grow.

Database Marketing
This year's efforts were dedicated toward envisioning future systems and technologies to enable greater efficiencies and expanded capabilities. A comprehensive environmental scan, opportunity assessment, and solutions review was undertaken, with recommendations for new marketing intelligence platform to be implemented beginning in 2009/10.

Marketing - Europe

Consumer Advertising and Promotions
The first direct to consumer acquisition ski campaign was launched in the United Kingdom resulting in 3,200 additions to our database of individuals who have expressed interest in visiting British Columbia and will be contacted with product specific offers.

Travel Trade
British Columbia's position with key tour operators in the United Kingdom, Germany and the Netherlands was maintained through educational programs including familiarization tours, cooperative marketing campaigns, trade shows and sales calls. Tourism British Columbia delivered 70 trade co-op marketing programs and achieved a 48 % share of tour operator Canadian listings.

Media Relations
Advertising equivalency of $11.8 million was achieved with key European media.

Marketing – Asia/Pacific

Consumer Advertising and Promotions
A second direct to consumer acquisition ski campaign was launched in Australia resulting in 1,400 additions to our database of individuals who have expressed interest in visiting British Columbia. A retention campaign is being developed.

A variety of consumer campaigns were undertaken in key Asian markets including the Whistler Café and the Online Air Canada campaign in Japan and ski and self-drive promotions in Korea. Regular e-newsletter communication through our database of consumers in Japan, Korea and Taiwan.

Media Relations
An advertising equivalency of $57 million was achieved through targeted media initiatives with key Asia/Pacific media to obtain unpaid coverage of British Columbia products and to address 2010 opportunities. Media relations representation continued in China to implement an ongoing editorial/advertorial program for Chinese mainland media.

Travel Trade
British Columbia's position with key tour operators in Japan, Taiwan, South Korea and Australia was maintained through educational programs including familiarization tours, cooperative marketing campaigns, trade shows and sales calls. Tourism British Columbia delivered 58 trade co-op marketing programs, produced 10 foreign language print publications and achieved a 65 % share of tour operator Canadian listings.

China

China continues to represent great potential in spite of the lack of Approved Destination Status. Trade and travel media activities continue to be the primary focus.

Owing to multiple channels being used for bookings, a composite of key indicators will be adopted to gauge the impact of specific campaigns such as web visits, page views and click-throughs to industry.

Measure: Equivalent dollar value of unpaid editorial coverage worldwide (ECV) ($millions)						
Past Performance		**2008/09 Performance** Target not met		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
202	215	190	153	250	300	325

Tourism British Columbia focuses much of its marketing efforts on Media Relations, and this measure provides an estimate of the value of unpaid media coverage of British Columbia tourism in print, television and radio. The following contributing factors led to the target not being met:

- A new third-party media monitoring service was used and key words are now more specific to travel stories, not just the mention of the destination; and
- More coverage is shifting online which is not yet measureable. Tourism British Columbia is working with the Canadian Tourism Commission (CTC) to develop a means to measure online ECV in the future.

Measure: Visitors to Tourism British Columbia consumer websites worldwide (millions)						
Past Performance		**2008/09 Performance** Target not met		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
5.1	6.3	8.0	5.3	8.0	6.5	7.5

This measure tracks the number of visitors to the Tourism British Columbia consumer websites worldwide as an indicator of the success of Tourism British Columbia's marketing programs. This target was not met due to the challenges impacting tourism; high gas prices last summer and the economic situation. The 2009/10 target increases to reflect the 2010 Winter Games, followed by a subsequent decline to more normal levels.

Measure: British Columbia's share of Canadian product in key tour operator offerings: **1. North America** **2. Europe** **3. Asia**						
Past Performance		**2008/09 Performance** Target exceeded		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
1. 40%	50%	40%	50%	45%	45%	45%
2. 38%	46%	38%	48%	45%	45%	45%
3. 60%	67%	60%	65%	65%	65%	65%

This measure tracks the percentage of British Columbia product in key international tour operator publications compared to the rest of Canada. British Columbia product gets significantly more exposure than any of the other provinces. Tourism British Columbia is the source of this data.

Goal 2: Enhance world class visitor experiences

Goal 2 is the primary focus of the Visitor Experiences Division. The quality of a visitor's vacation experience while in British Columbia is critical to the ongoing success of the tourism industry. In the long term, British Columbia's tourism industry must continue to grow its reputation as a provider of high-quality services and products. Tourism British Columbia's strategies under this goal are focused on ensuring the visitor has access to the information, and has the capability, to make informed purchasing decisions.

Key programs included:

Visitor Servicing
Six provincial gateways and 110 Visitor Centres province-wide saw 3.1 million visitors who received travel assistance including information and tools to book or purchase British Columbia product. Currently, over 13,000 tourism businesses have information available in these centres.

Product Service, Support and Sales
Whether planning or en route, the contact centre provides visitors with information and the opportunity to book or purchase product. The centre also provides customer service for all distribution channels, call to action for campaigns, and responds to requests for printed information. In 2008, 177,105 calls were received and 147,069 information kits were distributed.

Through Tourism British Columbia's consumer points of contact: 1-800 **HELLO BC**® Call Centre, Visitor Centres and **HelloBC**.com, visitors are offered the opportunity to book or purchase tourism products including accommodations, transportation, activities and provincial park campsites. In 2008, 123,913 transactions were made for the tourism industry through these channels.

Tourism Product Management
A record 4,753 tourism suppliers were registered for Tourism British Columbia's **HelloBC**® Listings program, a program that provides content rich supplier information and booking capabilities for the consumer.

Market Research
Research is conducted to support Tourism British Columbia's program planning and evaluation, tourism industry tracking and performance, and to produce estimates of visitor volume and revenue. New research projects included: consumer research in key overseas and North American markets, research with the trade travel in nine international markets, a survey of accommodation properties to support the Integrated Channel Review, visitor surveys and evaluation at two Visitor Centres, consumer surveys at Okanagan Valley wineries, Columbia Valley golf courses and BC Nordic facilities, market research and program evaluation for the Tourism Partners program, and market research supporting the **Community Tourism Foundations**® and the Experiences BC programs.

WorldHost® Training Services
16,288 people were trained in any of the eight **WorldHost®** Training Services programs (originally named **SuperHost®**). Superior customer service is a key factor in determining the quality of the visitor experience and in building customer loyalty and is an important part of the tourism marketing cycle. The unit develops curriculum materials, trains front line staff and managers with customer service skills and supports community delivery organizations to deliver a variety of workshops to raise the bar for service excellence. In order to capitalize on the Olympic experience, Tourism British Columbia's internationally recognized customer service training program was re-launched as **WorldHost®** Training Services.

Quality Assurance
Accommodation that meets and exceeds visitor expectations plays a vital role in securing loyal, repeat customers. Tourism British Columbia's Quality Assurance team works with the hospitality industry to enhance accommodations and attractions through industry counselling, approved accommodation programs, including Canada Select and Camping Select rating programs, as well as highway signage programs.

3,904 accommodation products were inspected throughout the province to support Tourism British Columbia's **HelloBC®** Listings Program for accommodations as well the Hotel Association of Canada's Canada Select and Camping Select rating programs. In addition, this team has worked with 2010 Legacies Now and the BC Hotels Association to assess accommodation properties and collect information on the services provided for people with mobility, visual and hearing impairments.

Information Technology
Information Technology (IT) provides technology leadership for Tourism British Columbia, and to the industry through the development of IT strategies to support current and future business requirements across the entire corporation. In addition to day-to-day responsibilities for the availability of office systems, this unit is also responsible for sourcing application development and technical support for all of Tourism British Columbia's business applications, including websites and other marketing tools such as the Destination Management System. This past year technology priorities have included the acquisition of a system to manage digital assets and a new reservation service for consumers.

Industry Human Resources Development
Addressing the critical skill shortage facing the tourism sector, financial support was provided to go2 – The resource for people in Tourism, and LinkBC to continue implementation of the provincial tourism human resource development plan.

Measure: Number of tourism businesses listed on HelloBC.com						
Past Performance		**2008/09 Performance** Target exceeded		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
2,964	3,889	3,800	4,753	5,200	6,000	6,800

This measure tracks the number of tourism businesses registering for Tourism British Columbia online programs. These tourism businesses provide both tourism information and reservation opportunities for visitors. Target was exceeded by 20%. Tourism British Columbia is the source of this data.

Measure: Industry Stakeholder Satisfaction Survey of Tourism British Columbia's Visitor Centre programs and services (1-5 scale, 5 being most satisfied)						
Past Performance		**2008/09 Performance:** Target exceeded		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
3.8	3.8	3.8	3.9	3.9	3.9	3.9

This measure replaces "Average Quality Service ratings." Both measures demonstrate Tourism British Columbia's performance in providing excellent service to visitors to our Visitor Centres, but the new survey is conducted annually; the previous survey was bi-annually. Tourism British Columbia is the source of this data.

Measure: Number of page views of tourism businesses through Hellobc.com (millions)						
Past Performance		**2008/09 Performance:** Target not met		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
n/a	2.3	2.8	2.7	2.7	2.5	2.7

This measure tracks the number of page views of tourism businesses through **HelloBC**.com and contributes to measuring Tourism British Columbia's ability to achieve Goal 2. Tourism British Columbia is the source of this data.

Measure: Number of accommodation properties inspected (annual)						
Past Performance		2008/09 Performance Target exceeded		Future Targets		
2006/07	2007/08	Target	Actual	2009/10	2010/11	2011/12
1,988	2,219	2,400	3,900	2,150	1,750	1,750

This measure was determined to be a better indicator of Goal 3 performance so was added in the *2008/09 Service Plan*. Target was exceeded due to earlier than planned inspections for the Tourism Accessibility program to prepare for the 2010 Winter Games. Tourism British Columbia is the source of this data.

Measure: Number of participants trained through WorldHost® Training Services (formerly SuperHost®) training programs						
Past Performance		2008/09 Performance Target not met		Future Targets		
2006/07	2007/08	Target	Actual	2009/10	2010/11	2011/12
17,106	15,300	20,000	16,200	20,000	20,000	20,000

The **WorldHost** Training Services program is in place to help achieve one of Tourism British Columbia's mandated objectives: to enhance professionalism in the tourism industry. An overall human resource shortage and restricted supplier budgets have hampered the ability to achieve the target, however, Tourism British Columbia will continue to set aggressive future targets in an effort to help prepare tourism businesses and their staff for when the province "welcomes the world" in 2010. Tourism British Columbia is the source of this data.

Goal 3: Maximize growth through partnership marketing

Goal 3 is supported by the Partnership Marketing Division. Strategies under this goal utilize partnerships to grow tourism development and revenues through industry integration with Tourism British Columbia, at all levels. Successfully implemented, these strategies eliminate duplication and overlap of program delivery. Integration of regional, community, product and cultural sectors and industry operators start at the planning level to coordinated implementation of marketing and promotional activities.

Key programs included:

Regional Integration
Tourism British Columbia and the six regional tourism associations are now working within a highly integrated partnership model in order to provide tourism operators and communities with improved access to Tourism British Columbia's programs. As a result of these synergies and improved communication through our regional partners, communities across British Columbia now have greater input into Tourism British Columbia's provincial tourism strategy and greater opportunity to participate in development and promotional programs.

The Regions, as agents of Tourism British Colum... ork directly with local tourism stakeholders and communities in the following key areas:

- Media Relations
- Travel Trade
- Website: **HelloBC**.com and IT
- Industry Relations / Program Sales
- Communities
- Integrated Planning

Tourism Partners
This on-going program supports consumer-focused cooperative marketing activities delivered by the six tourism regions. There are hundreds of distinct projects annually which focus primarily on targeting short-haul markets and are supported by additional investment from Tourism British Columbia in research. These activities include media advertising, publications, consumer shows, direct mail, and internet marketing. Over 1,800 tourism businesses participated in marketing programs in 2008/09.

Trade, Media and Overseas
The Trade, Overseas and Media Relations program is a new initiative that integrates the activities of the six tourism regions with Tourism British Columbia's travel trade and media relations teams. Each region has a dedicated travel media representative and travel trade representative.

The tourism regions and Tourism British Columbia developed the first version of the Provincial Travel Trade and Travel Media Relations Plan outlining tactics to be undertaken in the travel trade, travel media relations and on occasion, in consumer overseas initiatives. The regional representatives also support trade familiarization tours and media press trips as determined by the provincial plan.

City Destinations and Product Sector Development and Marketing Programs
Tourism British Columbia provided marketing support to key city destinations to capitalize on unique city stay opportunities, including media relations and consumer marketing. This allowed the leveraging of resources to support mutual market and development priorities. In addition, application marketing programs were in place for existing and emerging product sectors. Sectors were assigned a facilitator to assist the sector working group with examining their tourism activities, conducting a situation analysis, developing a research-based tourism plan and participating in cooperative marketing initiatives.

Nine product sectors continued or were introduced to the strategic planning process: History and Heritage, Nordic activities, Camping and RV, River Experiences, Scuba Diving, Cuisine, Backcountry Lodges, Agri-Tourism. The Experiences BC Marketing Assistance program assisted a number of sectors to reach their respective markets including Heli-Cat, Guest Ranches, Mountain Biking and Cruise.

Community Tourism Foundations®
This was the fourth year of the **Community Tourism Foundations**® program, designed to assist communities in developing local tourism strategies and increase overall participation in tourism marketing. This year, ten new communities or community consortiums began working with the program. Communities were assigned a facilitator to assist the community working group examine their tourism activities, conduct a situation analysis, develop a research-based tourism plan and participate in co-operative marketing initiatives. This year also launched one day pre-qualification workshops for three communities which include tourism industry education, a community tourism situational analysis, discussion on Tourism British Columbia programs and regional opportunities/partnerships, and examining next steps for tourism development. Also, seven revisit meetings were conducted with communities that had completed the program in order to update their tourism plan and determine if the community could benefit from further assistance.

Community Tourism Opportunities™ Program
Tourism British Columbia, through its regional agents, managed cooperative marketing funding requests from 48 eligible applicant communities (or clusters of communities) for nearly 150 community-focused tourism projects, effectively benefitting more than 60 communities.

The majority of these communities/clusters have completed the **Community Tourism Foundations*** program and possess a formal multi-year tourism plan supporting the strategies and specific tactics being funded. Other community initiatives were identified through active consultation with the tourism region's community representatives taking into consideration suitability of priorities and the community's level of market-readiness.

In addition, dozens of communities were provided with content writing resources to update and substantially enhance their presence on **HelloBC**.com.

Sport Tourism
Tourism British Columbia continues to work in partnership with 2010 Legacies Now on a number of sport tourism programs aimed at supporting communities that are actively pursuing sport event hosting opportunities. Launching with a pilot community, the Community Sport Tourism Development Program works with local sport and tourism stakeholders to develop a detailed situation analysis and five year sport tourism strategic plan. The re-launch of Hostingbc.ca and the initiation of the Sport Facility Image Partnering Project aim to assist communities with marketing their sport hosting facilities to sport event organizers worldwide. For the fifth year, the BC Sport Tourism Events Marketplace provided a business to business opportunity for communities and provincial sport organizations to explore sport hosting opportunities. The partnership stays connected with community stakeholders from around the province through the BC Sport Tourism Network.

British Columbia Magazine™
In its 49th year, **British Columbia Magazine™** provides awareness of the province, through spectacular photography and well written stories on people, places and journeys to 2.1 million readers, including 117,000 subscribers, in 120 countries around the world. In 2008, **British Columbia Magazine™** remained the second most-read magazine in British Columbia, behind Reader's Digest. The magazine won eight editorial and photography awards by the International Regional Magazine Awards and was runner up for magazine of the year.

Measure: # of tourism businesses participating in regional marketing programs*						
Past Performance		**2008/09 Performance** Target exceeded		**Future Targets**		
2006/07	**2007/08**	**Target**	**Actual**	**2009/10**	**2010/11**	**2011/12**
1,800	1,832	1,850	1,875	1,925	1,950	1,975

* Formerly under Goal #1, this measure was chosen as an effective means to evaluate Goal #3 performance. Tourism British Columbia is the source of this data.

Measure: Total number of communities assisted						
Past Performance		2008/09 Performance Target exceeded		Future Targets		
2006/07	2007/08	Target	Actual	2009/10	2010/11	2011/12
140	143	162	163	165	170	175

To measure the number of communities provided with significant, direct financial assistance through Tourism British Columbia's Partnership Marketing programs, including development and implementation activities. Performance exceeded target. Tourism British Columbia is the source of this data.

Measure: Number of tourism sectors developed and/or promoted						
Past Performance		2008/09 Performance Target not met		Future Targets		
2006/07	2007/08	Target	Actual	2009/10	2010/11	2011/12
17	21	22	18	20	22	24

As a result of some sector groups consolidating, target was not met and future targets have been revised. Tourism British Columbia is the source of this data.

Goal 4: Provide value to our stakeholders

Goal 4 is supported by Tourism British Columbia's support services, which include Corporate Services, Human Resource Development, Corporate Communications and Governance. Strategies supporting this goal contribute to Tourism British Columbia's performance by continuing to strengthen the qualities that make it a highly effective organization.

Key strategies:

- Conduct survey of Tourism British Columbia stakeholders to evaluate effectiveness of programs.
- Leverage Tourism British Columbia funding with partners to maximize purchasing power and exposure of tourism product.
- Keep administration costs below those of comparable organizations.
- Continue to instill a values-based and productive corporate culture.

Measure: Industry stakeholder satisfaction survey of Tourism British Columbia programs and services (1-5 scale)						
2006/07	2007/08	2008/09 Performance Target met		Future Targets		
		Target	Actual	2009/10	2010/11	2011/12
3.9	3.94	3.9	3.96	3.9	3.9	3.9

To ensure Tourism British Columbia continues to deliver programs and activities that provide value for tourism stakeholders, an independent, third-party random survey of hundreds of industry stakeholders is conducted annually by Malatest & Associates. These include responses from hotel operators, attractions, tour operators and other industry stakeholders. Overall, satisfaction levels across all stakeholder groups have increased by 3.4% since 1999.

Measure: Cost of support services as percentage of total budget						
Bench-mark	2007/08	2008/09 Performance Target met		Future Targets		
		Target	Actual	2009/10	2010/11	2011/12
15%*	7.5%	8.0%	7.9%	8.0%	8.0%	8.0%

** Benchmark is federal tourism organization.*

To measure support services costs (accounting operations, facilities, administration, human resources, CEO's office, board and corporate communications) as a percentage of total budget and to compare against a similar organization.

Measure: Employee survey: "I am proud to work for my organization"						
Bench-mark	2007/08	2008/09 Performance Target not met		Future Targets		
		Target	Actual	2009/10	2010/11	2011/12
60%*	95%	95%	90%	90%	90%	90%

** Benchmark is provincial government public service 2008.*

To measure employee satisfaction. Although target was not met, actual score was much better than benchmark and is still considered very good. Tourism British Columbia is the source of this data through an internal employee survey.

Measure: Employee survey - "The work I do makes an important contribution to my organization's success"						
Bench-mark	**2007/08**	**2008/09 Performance** Target not met		**Future Targets**		
		Target	**Actual**	**2009/10**	**2010/11**	**2011/12**
N/A	93%	93%	79%	n/a	n/a	n/a

This measure was discontinued starting with the *2009/10 Service Plan* as the corporation streamlined its performance measures to include only the one employee survey measure.

RISK ASSESSMENT AND ACTIONS TAKEN

Issue	Risk	Key Responses
World Economy • Economies around the world have gone into varying states of recession, negatively impacting tourism activity.	• Most tourism activity is considered discretionary, so in difficult financial times travel decisions may be cancelled or postponed. • Longer term effects could be on businesses that are unable to weather the storm.	• Tourism British Columbia utilizes research to target the best market opportunities for sustainable tourism activity. As research indicates the best opportunities for short, medium and long-term tourism business, Tourism British Columbia will update strategies and tactics.
US Visitation • Visits from the US have declined since 2001, largely due to increased security measures and the strong performance of the Canadian dollar against the US dollar.	• The two biggest risks are to overall revenue, and Tourism British Columbia's ROI, as more aggressive tactics are targeted to attracting US visitors.	• Aggressive targeted campaigns continue in US market. • Diversification of markets continues, with strong growth from Mexico, Korea, and British Columbia/Canada.
The Western Hemisphere Travel Initiative (WHTI) • US passport requirements for re-entry to the United States for American visitors travelling by air will impact visits in 2007 and beyond. • Though registration for new US passports has been strong, far fewer than 50 percent of all Americans have passports.	• Long-term erosion of US market potential.	• A variety of communication tools including **HelloBC**.com, campaign brochures, Visitor Centres and the 1-800-**HELLO BC**® Call Centre are being used to ensure up-to-date accurate information about border waits and documentation requirements is available. • June, 2009 will be the final deadline for full compliance. Following this period, a more accurate picture of long term impact should become clearer.

Issue	Risk	Key Responses
Air Access • The federal and provincial governments are working to open more access to Canadian airports for foreign airlines.	• A lack of direct-air seat capacity is one of the major constraints to growth from many markets, including Asia/ Pacific.	• Tourism British Columbia is working with the MTCA and other agencies to provide foundation work for new air polices in Canada. • Tourism British Columbia's support of Air Access Summit announced by Premier Campbell. • As new policies come on-stream, Tourism British Columbia will review/implement strategic tactics as appropriate (e.g. Korea, European Union).
H1N1 Flu/Pandemics • The outbreak of the H1N1virus in Spring, 2009 led to many cancellations in North America by travellers particularly group business from Asia.	• Health-based issues are managed out of the direct involvement of the tourism industry, which can be dramatically affected. • Impacts may be long-term, depending on the perceived threat of a return of a particular infection.	• Tourism British Columbia works with related agencies such as MTCA, CIC, COTA TIAC to ensure accurate, up-to-date travel and health information is available for visitors through all consumer-related distribution channels. • Tourism British Columbia maintains regular contact with all trade contacts as appropriate during health-related occurrences.

SHAREHOLDER'S LETTER OF EXPECTATIONS

Crown corporations are publicly accountable to taxpayers both in the delivery of their programs and service and in fiscal management. The Shareholder's Letter of Expectations (SLE) is a key component of the Accountability Framework for Crown corporations and is designed to ensure a shared understanding between the shareholder (the government, represented by the Minister Responsible) and Crown corporation Boards of Directors on key governance issues, corporate mandate direction from government, core Crown corporation services, strategic priorities and performance expectations of government for the corporations. The Shareholder Letter serves as the foundation for the development of annual Crown corporation service plans.

Though many of the accountabilities referenced in Tourism British Columbia's Letter of Expectations can be found in the Report on Performance, a status update of the letter is as follows:

Action	Status
Compliance with the Shareholder's requirements to make the public sector carbon neutral by 2010.	Tourism British Columbia conducted a third-party carbon emission audit in 2007/08 intended to help identify practical solutions for reduction of carbon emissions in operations. Tourism British Columbia currently meets the Crown corporation requirements identified by the Climate Action Secretariat.
Conduct its affairs to achieve its mandate and the performance expectations and objectives of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes that are consistent with the Shareholder's general direction and consistent with principles of efficiency, effectiveness, and customer service.	Tourism British Columbia's adheres to all legislation and policy relating to corporate planning and reporting, and these activities are conducted with on-going communication with the Shareholder, the Board of Directors and other key stakeholders.
Work with the Shareholder to clearly define responsibility for performance targets.	Done.
Clearly identify in the corporation's annual service plan the targets and initiatives to achieve the doubling of provincial tourism revenues by 2015.	Done.
Continue to participate as an active partner in the Shareholder's *Tourism Action Plan*.	Ongoing.
Focus marketing activities to leverage tourism investment and maximize tourism growth.	Done. Refer to Tourism British Columbia's *2008/09 – 2010/11 Service Plan*.
Maximize the short and long-term benefits of hosting the Vancouver 2010 Olympic and Paralympic Winter Games by developing complementary and robust marketing and sales plans with industry and government parties.	Tourism British Columbia launched **WorldHost**® in February, 2009, which includes all tactical activities associated with optimizing the Olympic Games cycle, before, during and after.

Action	Status
Create sustainable tourism programs in keeping with the corporation's mandate that help reduce greenhouse gas emissions and position British Columbia as a "green" tourism destination.	Tourism British Columbia is a founding member of the BC Partnership for Sustainable Tourism, established as a non-profit society in February, 2009.
With respect to at-par currency, continue to diversify the Corporation's markets and regional marketing investments.	Tourism British Columbia has a diversified portfolio of markets around the world and has recently been accelerating activity in Mexico and Korea. Marketing targeted to India is planned for 2010. The Canadian dollar has largely returned to a more traditional relationship relative to the American dollar.
Provide the Shareholder with a detailed Expenditure Plan for the proposed incremental room tax revenues, by June 30, 2008.	Done.
With respect to air access and under the direction of the Minister of Tourism, Culture and the Arts, contribute to a coordinated industry campaign to address the issue of bi-lateral agreements with the federal government.	Ongoing.
With respect to cross-border delays, Tourism British Columbia should encourage industry groups to communicate their concerns regarding excessive wait times.	Done.
Consider broadening its target market by placing emphasis on customer preferences, including possibly promoting the cultural, culinary and destination shopping aspects of British Columbia.	Done.
Ensure annual expenditures do not exceed annual revenue.	Done.
Continue to supplement its annual operating budget through raising additional funding from the industry and private sector partners.	Ongoing.

Action	Status
Continue to work with the Aboriginal Tourism Association of British Columbia to carry out the *Aboriginal Tourism Blueprint Strategy*.	Ongoing.
Participate in tourism marketing initiatives as part of BC150 celebrations.	Done.
Incorporate "welcome to British Columbia" multilingual signage at all Visitor Gateway locations and Visitor Centres.	Done.
Actively participate in Shareholder Asia/Pacific Initiative.	As required.
In support of good communication, the Board of Directors will provide opportunities to engage the Minister of Tourism, Culture and the Arts in dialogue throughout the year and with regularly scheduled meetings.	Ongoing Deputy Minister is invited to all Tourism British Columbia Board of Directors meetings.

FINANCIAL REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Financial Results

$000s	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Actual	2008/09 Budget	Budget Variance
Hotel room tax transfers	25,972	29,440	34,778	54,473	59,980	(5,507)
Gov't grants and contributions	22,834	20,722	20,043	2,467	2,405	62
Program and other income	8,498	8,937	9,004	7,957	8,312	(355)
Total revenue	**57,304**	**59,099**	**63,825**	**64,897**	**70,697**	(5,800)
Consumer marketing	32,335	29,360	23,989	30,532	32,690	2,158
Visitor experiences	14,219	14,339	14,278	16,811	17,845	1,034
Partnership marketing	4,902	7,310	16,147	10,612	13,127	2,515
Support services and facilities	4,292	4,689	4,732	5,125	5,335	210
Amortization	1,556	3,401	1,679	1,817	1,700	(117)
Government directed payments	-	-	3,000		-	0
Total expenses	**57,304**	**59,099**	**63,825**	**64,897**	**70,697**	**5,800**
Net revenue	-	-	-	-	-	-
Capital expenditures	1,024	983	2,470	7,048	10,680	3,632
Full-time equivalents	127	138	145	143	143	0

Assessment of results of operations and changes in financial conditions

Revenue

During the year, Tourism British Columbia changed its accounting policy to adopt Public Sector Accounting Standards as these standards more appropriately reflect the operations of the corporation. The most significant result of this change is in the treatment of hotel tax transfers received from the province: these are now deferred and amortized to operations to the extent expenses exceed revenues. This change has been applied retroactively in the "Summary of Financial Results".

Starting in fiscal 2008/09, Tourism British Columbia's share of the hotel room tax increased from 1.65 to 3 points of the 8% tax, attributing for the significant increase in hotel room tax transfers received or due from the province this year. However, transfers of $56.6 million represented a 2.8% decline in hotel room tax from the previous year and a 5.7% decline from budget. In light of declining revenues and the corporation's intention to minimize the impact against the Olympic year (2009/10), only $54.5 million was amortized to revenue in 2008/09, leaving $4.9 million in deferred hotel room tax available for subsequent years. At the April 2009 Board meeting, the Board of Directors approved spending $2.9 million of this deferred balance to ensure the Olympic marketing activities are adequately supported.

Contributions from the federal government were $2.0 million through the Western Economic Diversification Program to help offset the decline in US visitation and contribute towards 2010 Olympic marketing activities. This amount was included in the 2008/09 budget approved by the Board of Directors in April 2008, but was not yet known or included in the *2009/10 Service Plan*. Program and other revenue was down from plan due to much lower interest income which resulted from the financial crisis and subsequent interest rate cuts in the fall of 2008.

Expenses

Overall, expenses were under budget by $5.8 million, or 8.2 percent. This was a result of the corporation undertaking austerity measures to reduce administrative (first) and program expenses as a result of declining hotel room tax transfers. The Board of Directors directed management to produce a surplus this fiscal year to minimize the impacts on the 2010 Olympic year activities. As a result, deferred hotel tax revenues on the Statement of Financial Position increased from $2.8 million in 2007/08 to the current balance of $4.9 million.

Capital

Capital expenditures were under budget due to continued delay in the construction the Merritt Visitor Centre as a result of discussions with and between Aboriginal bands regarding the Crown land site. The majority of capital funds unspent in 2008/09 have been carried forward to 2009/10.

The Peace Arch Visitor Centre was completed in March 2009 on time and on budget. Funding for new Visitor Centres at Peace Arch, Osoyoos (completed in 2007/08) and Merritt has been provided primarily by the province.

Investment in technology that helps connect the consumer with tourism product continues to be a major driver in the corporation's capital plan. During the year, $3.1 million was spent on developing websites for North America, Japan, Taiwan and Germany and the destination management system. These capital costs contributed to amortization of $1.8 million.

Risks, Uncertainties and Future Outlook

Tourism British Columbia's primary goal is to double tourism revenues by 2015. Although there are many variables in attaining this goal that are outside Tourism British Columbia's control (a declining economy, gas prices, border security issues, exchange rates, air access and cost, Approved Destination Status (ADS) with China, terrorism and flu pandemics are just some examples) the corporation believes that the marketing opportunities created by the Vancouver 2010 Olympic and Paralympic Winter Games make this an attainable goal.

The ability of the corporation to drive tourism revenues is largely dependent on having adequate funding to carry out its many marketing activities. Given the current worldwide recession and declining hotel tax revenues, there are risks that hotel room tax revenues will not meet the current forecast of -3% growth for 2009/10, meaning further program reductions are possible.

Tourism British Columbia
Financial Summary
2009/10-2011/12

$000s	2009/10 Budget	2010/11 Estimate	2011/12 Estimate
Revenue			
Hotel room tax transfers (note 1)	$ 58,142	$ 56,000	$ 59,000
Program	7,338	7,300	7,300
Grants and Contributions	3,675	125	125
Investment and miscellaneous income	267	250	250
	69,422	**63,675**	**66,675**
Operations, net			
Consumer Marketing	29,834	26,075	27,000
Partnership Marketing	14,727	14,000	15,000
Visitor Experiences	16,683	15,500	16,775
Support services	5,428	5,300	5,400
Amortization	2,750	2,800	2,500
	69,422	**63,675**	**66,675**
Net revenue	-	-	-
Deferred hotel room tax, ending	**2,000**	**2,000**	**2,000**
Total Debt	-	-	-
Information technology	4,204	2,112	2,050
Visitor Centres	1,600	3,015	40
Other	102	120	140
Capital investment (Note 2)	**5,906**	**5,247**	**2,230**
FTEs	145	148	148

Key Assumptions and Risks

Note 1 Beginning in 2008/09, the corporation changed its accounting policy to follow Public Sector Accounting Standards. As a result, hotel room tax revenue is now deferred when received and recognized to revenue only to the extent expenses exceed revenues. The policy change occured after publication of the *2009/10 Service Plan*, so the adjustments have been provided in the table above.

Note 2 Capital investment includes $8.0 million funding contribrution from the provincial government for the construction of gateway Visitor Centres at Osoyoos, Peace Arch and Merritt.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2009

Statement of Management's Responsibilty

The financial statements of Tourism British Columbia for the year ended March 31, 2009 have been prepared by management in accordance with Canadian generally accepted accounting principles. These financial statements present fairly the financial position of Tourism British Columbia as at March 31, 2009, and the results of operations and changes in cash flows for the year then ended.

Management is responsible for the preparation of the financial statements and has established a system of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized, and financial records provide reliable information for the preparation of financial statements.

The Board of Directors carries out its responsibility for the review of the financial statements. The Board meets with management and the external auditor to discuss the results of audit examinations and financial reporting matters. The external auditor has full access to the Board, with and without the presence of management.

The Auditor General of British Columbia has performed an independent audit of the financial statements of Tourism British Columbia. The Auditor's report outlines the scope of his examination and expresses an opinion on the statements of Tourism British Columbia.

Rod J. Harris
President and Chief Executive Officer
Tourism British Columbia

Len Dawes, CA
Chief Financial Officer
Tourism British Columbia

May 21, 2009

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Report of the Auditor General of British Columbia

To the Board of Directors of
the Tourism British Columbia, and

To the Minister of Tourism, Culture and the Arts
Province of British Columbia:

I have audited the statement of financial position of *Tourism British Columbia* as at March 31, 2009, and the statements of operations, changes in financial resources and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of *Tourism British Columbia* as at March 31, 2009, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, British Columbia
May 21, 2009

John Doyle, MBA, CA
Auditor General

Auditor General of British Columbia

TOURISM BRITISH COLUMBIA
Statement of Financial Position

(in $000s) March 31,	Note	2009	2008 Restated (note 2)
Financial assets			
Cash	3	10,922	15,401
Receivables		6,006	5,545
Inventories		71	71
Loans receivable	4	186	193
		17,185	21,210
Liabilities			
Payables and accruals		14,402	14,445
Deferred revenue		1,947	2,122
Deferred contributions	8	14	93
Long term liabilities	9	818	479
		17,181	17,139
Net financial resources		4	4,071
Non-financial assets			
Tangible capital assets	5	12,795	7,564
Prepaid expenses		1,297	383
		14,092	7,947
Accumulated surplus		14,096	12,018
Accumulated surplus consists of			
Deferred hotel tax transfers	6	4,936	2,809
Contributed surplus	7	7,900	7,949
Donated land	5	1,260	1,260
		14,096	12,018
Commitments	13		

Approved on behalf of the Board:

Board Chair

Audit Committee Chair

The accompanying notes are an integral part of these financial statements.

TOURISM BRITISH COLUMBIA
Statement of Operations

(in $000s) For the year ended March 31,	Note	2009 Budget	2009 Actual	2008 Restated (note 2)
Revenue				
Hotel tax transfers	6	59,980	54,473	34,778
Program revenue	10	7,800	7,672	8,057
Contributions from Government of Canada	15	2,000	2,000	-
Grants and contributions from the Province	12	355	418	19,995
Investment and miscellaneous income		512	285	947
Amortization of contributed surplus	7	50	49	48
		70,697	64,897	63,825
Expenses	14			
Consumer marketing		32,690	30,532	23,989
Visitor experiences		17,845	16,811	14,278
Partnership marketing		13,127	10,612	16,147
Support services		5,335	5,125	4,732
Amortization		1,700	1,817	1,679
Government directed payment	16	-	-	3,000
		70,697	64,897	63,825
Net results from operations		-	-	-
Accumulated surplus, beginning of year			12,018	14,814
Change in deferred hotel tax transfers	6		2,127	(2,748)
Change in contributed surplus	7		(49)	(48)
Accumulated surplus, end of year			14,096	12,018

The accompanying notes are an integral part of these financial statements

TOURISM BRITISH COLUMBIA
Statement of Changes in Financial Resources

(in $000s) for the year ended March 31,	2009	2008
Net financial resources, beginning	4,071	8,105
Acquisition of tangible capital assets, net	(7,048)	(2,470)
Amortization of tangible capital assets	1,817	1,679
Acquisition of prepaid expenses	383	244
Use of prepaid expenses	(1,297)	(383)
Change in accumulated surplus	2,078	(3,104)
Net financial resources, ending	4	4,071

The accompanying notes are an integral part of these financial statements.

TOURISM BRITISH COLUMBIA
Statement of Cash Flows

(in $000s) for the year ended March 31,	2009	2008 Restated (note 2)
Operating activities		
Net results of operations	-	-
Non-cash items included in net results of operations		
Amortization expense	1,817	1,679
Amortization of contributed surplus	(49)	(48)
Accounts receivable (increase)	(461)	(1,394)
Inventories decrease	-	35
Prepaid expenses (increase)	(914)	(139)
Loans receivable decrease (increase)	7	(15)
Payables and accruals (decrease)	(43)	(1,735)
Deferred hotel tax transfers increase (decrease)	2,127	(2,783)
Deferred revenue (decrease)	(175)	(497)
Other deferred contributions (decrease) increase	(79)	17
Cash flows used in operating activities	2,230	(5,380)
Capital activities		
Additions to tangible capital assets, net	(7,048)	(2,470)
Cash flows used in capital activities	(7,048)	(2,470)
Financing activities		
Long term liabilities	339	31
Cash flows from financing activities	339	31
Net (decrease) in cash	(4,479)	(7,819)
Cash beginning of year	15,401	23,220
Cash end of year	10,922	15,401

The accompanying notes are an integral part of these financial statements.

TOURISM BRITISH COLUMBIA
Notes to the Financial Statements

For the year ended March 31, 2009
(tabular amounts in $000s)

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1. Authority and purpose

Tourism British Columbia (the Corporation) is a provincial Crown corporation established by the *Tourism British Columbia Act* on June 27, 1997. The purpose of the Corporation is to promote development and growth in the tourism industry, to increase revenue and employment in the industry throughout British Columbia and to increase the economic benefits generated by the industry.

Under the *Tourism British Columbia Act*, Tourism British Columbia is entitled to the net revenue collected under section 3.1 of the *Hotel Room Tax Act*.

The Corporation is exempt from federal and provincial income taxes and from the federal goods and services tax.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

(a) Change in accounting policy

During the year the Corporation changed its accounting policy to adopt Public Sector Accounting Standards as these standards more appropriately reflect the operations of the Corporation.

This change in accounting policy has been applied retroactively. The table below shows the impact of the adoption.

	2008 restated	2008 As previously reported
Statement of Financial Position:		
Intangible asset (not recognized under PSAB)	-	244
Deferred hotel tax transfers	(2,809)	-
Net assets	-	(3,053)
Statement of Operations:		
Hotel room tax	-	32,030
Amortization of hotel tax transfers	34,778	-
Grants and contributions from the Province	19,995	20,043
Amortization of capital contributions	48	-
Amortization	(1,679)	(1,435)
Net results of operations	-	2,504

(b) Hotel tax transers

Hotel tax transfers, which are received from the Province to support the operations of the Corporation, are deferred and amortized to operations to the extent operating expenses exceed revenues.

The deferred transfers are recorded when the tax becomes due to the Corporation, which is the month the accommodation revenue is collected by the property.

(c) Contributed surplus

Capital contributions from the Province are recorded as contributed surplus and amortized to revenue to match the amortization charged on the related capital assets.

(d) Revenue recognition

Program revenues are recognized in the period services are rendered.

Unrestricted grant and contribution revenue is recognized in the period in which the eligibility criteria have been met and a reasonable estimate of the amount to be received can be made. Restricted grant and contribution revenue is deferred when received and recognized in the period in which the restrictions have been satisfied.

Subscription revenues in the *British Columbia Magazine* operations are deferred and recognized as the magazine is published.

(e) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value, with cost being determined on a first in first out basis. Supplies inventories are valued at cost.

(f) Tangible capital assets

Tangible capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives. Estimated useful lives are as follows:

Visitor centres	40 years
Information technology	3 years
Furniture and equipment	5 years
Leasehold improvements	Term of lease
Trail improvements	10 years
Vehicles	5 years

Computer software and assets costing less than $500 are expensed in the year of purchase.

Assets under construction or development are recorded at cost and include direct costs during construction or development. When these assets are operational, their costs will be amortized over their estimated useful lives.

The Corporation owns trademarks, the cost of which are expensed in the year costs are incurred.

(g) Foreign currency translation

Any foreign currency transactions are translated into Canadian dollars at the rate of exchange in effect at the transaction date. Any foreign currency denominated monetary assets and liabilities are stated using the prevailing rate of exchange at the balance sheet date.

(h) Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of the revenues and other expenditures during the period. Items requiring the use of significant estimates include the hotel tax accrual, employee future benefits, various revenue and expenditure accruals and the commitments summarized in note 13. Actual results could differ from these estimates.

3. Cash

Cash for restricted purposes represents funds received for construction of Visitor Centres and trail improvements.

	2009	2008
Unrestricted cash	7,930	10,040
Restricted cash		
Merritt Visitor Centre	2,925	2,962
Osoyoos Visitor Centre	52	58
Peace Arch Visitor Centre	-	2,248
Rails to Trails	15	93
Cash for restricted purposes	2,992	5,361
	10,922	15,401

4. Loans receivable

	2009	2008
Adventure Management Ltd. - Coquihalla Visitor Centre	50	50
Adventure Management Ltd. - Mt Robson Visitor Centre	60	60
Kicking Horse Mountain Resort Ltd. - Golden Visitor Centre	42	42
Destination Osoyoos Development Society - Osoyoos Visitor Centre	26	26
Marquise Facilities Corp. - YVR Visitor Centre	8	15
	186	193

The purpose of these loans is to support a royalty model for merchandise sales at these Tourism British Columbia operated Visitor Centres by providing financing for the purchase of inventory for resale. Interest on these loans is currently calculated at 5% per annum, payable monthly, with the principal due upon termination of the contract.

5. Tangible capital assets

	Information technology	Visitor centres	Furniture and equipment	Assets under construction
Historical cost				
Opening	10,488	1,942	1,034	1,386
Additions/transfers	3,103	4,266	76	(914)
Disposals	(45)	-	-	-
Write-downs	(250)	(186)	-	-
Closing	13,296	6,022	1,110	472
Accumulated amortization				
Opening	8,452	51	771	-
Amortization	1,537	49	116	-
Effects of disposals/write-downs	(113)	-	-	-
Closing	9,876	100	887	-
Net book value March 31, 2009	3,420	5,922	223	472
Net book value March 31, 2008	2,036	1,891	263	1,386

	Leaseholds	Vehicles	Trails	Land	Total
Historical cost					
Opening	888	87	553	1,260	17,638
Additions/transfers	1,031	-	-	-	7,562
Disposals	-	(33)	-	-	(78)
Write-downs	-	-	-	-	(436)
Closing	1,919	54	553	1,260	24,686
Accumulated amortization					
Opening	600	55	145	-	10,074
Amortization	174	11	58	-	1,945
Effects of disposals/write-downs	-	(15)	-	-	(128)
Closing	774	51	203	-	11,891
Net book value March 31, 2009	1,145	3	350	1,260	12,795
Net book value March 31, 2008	288	32	408	1,260	7,564

In May 2004, Trans Canada Trail Foundation donated land parcels of former rail trails to Tourism British Columbia. This land has been recorded at $1,259,800 on the balance sheet based on the property assessments at the time of transfer.

6. Deferred hotel tax transfers

Funding from the Province of British Columbia is provided to Tourism British Columbia through hotel tax transfers. Effective April 1, 2008, Tourism British Columbia receives 3 points of the 8% tax (previously 1.65 points). Hotel tax transfers are deferred when due and recognized as revenue in the period in which the related expenses are incurred.

	2009	2008
Balance beginning of year	2,809	5,557
Hotel tax transfers received or due	56,600	32,030
Less: amounts amortized to revenue	(54,473)	(34,778)
Balance end of year	4,936	2,809

7. Contributed surplus

Contributed surplus consists of capital contributions from the Province of British Columbia for the construction of new Visitor Centres at Merritt, Peace Arch and Osoyoos. These funds are being amortized over the estimated life of the buildings.

	2009	2008
Balance beginning of year	7,949	7,997
Less: amounts amortized to revenue	(49)	(48)
Balance end of year	7,900	7,949

8. Deferred contributions

On May 15, 2004, Tourism British Columbia signed a contribution agreement with the Community Futures Development Corporation (CFDC) under the Softwood Industry Community Economic Adjustment Initiative (SICEAI), a federal government program aimed at "offering sustainable and tangible economic benefits" to communities impacted by the softwood lumber dispute with the United States. Under the terms of the agreement, CFDC will match funding towards "Rails to Trails infrastructure improvements" up to a maximum of $2.1 million. The trails eligible under the agreement include both Tourism British Columbia and other Crown land. Tourism British Columbia has recorded its contribution of $552,800 as trail improvements, and unspent contributions from regional districts of $14,000 (2007/08: $93,000) as a deferred contribution, pending completion of the trail improvements.

9. Long term liabilities

	Employee leave liability	Employee future benefits (note 11)	Contract holdback	2009	2008
Total long term liabilities	590	371	392	1,353	776
Less: current portion	(146)	-	(389)	(535)	(297)
Net long term liabilities	444	371	3	818	479

Employee leave liability is the value of earned but unused vacation and other leave. Employee future benefits is explained more fully in note 11. Contract holdback is for the construction of Peace Arch Visitor Centre.

10. Program revenue

	2009	2008
Commission and sign up fees	2,904	2,630
BC Magazine	2,381	2,545
Display ads	649	691
Listing fees	637	1,376
SuperHost	325	291
Merchandise sales and royalties	307	312
Reservation system license fees	221	-
Quality assurance program	177	164
Miscellaneous	71	48
	7,672	8,057

11. Employee benefit plans

Employee future pension benefits
Tourism British Columbia and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan. Under joint trusteeship, the risk and reward associated with the Plan's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. The most recent actuarial valuation (March 31, 2008) determined that the Plan has a surplus. However, due to deteriorated market conditions subsequent to that date the Public Service Pension Board of Trustees implemented a contribution rate increase of 0.15% effective April 1, 2009. The total amount paid into this pension plan by Tourism British Columbia for the 2008/09 fiscal year was $860,243 (2007/08: $759,188).

Employee future post-retirement benefits
Obligations for employee retirement allowances are detailed in the Corporation's collective agreement. The Corporation has accrued the estimated costs of these benefits. The total amount accrued in long term liabilities at March 31, 2009 was $371,302 (2007/08: $279,915).

Employee pension - United Kingdom
Tourism British Columbia implemented a defined contribution pension plan for staff working in the United Kingdom in fiscal 2004. Staff contribute 5% of their base salary with a matching amount contributed by Tourism British Columbia. The pension plan is administered by Thomson's Wealth Management, a contracted pension administrator located in the United Kingdom. The total amount paid into this pension plan by Tourism British Columbia for the 2008/09 fiscal year was $9,464 (2007/08: $10,752).

12. Related parties

Tourism British Columbia is related through common ownership to all Province of British Columbia ministries, agencies, Crown corporations and all public sector organizations such as school districts, colleges, universities and health authorities that are included in the provincial government reporting entity. In addition, transactions with senior management, directors, their immediate family members or related companies with which any of the above have a financial interest are also considered as related parties. Transactions with these entities, considered to be in the normal course of operations, are recorded at the exchange amounts.

The statement of operations includes the following transactions with related parties:

	2009	2008
Revenue		
Hotel tax transfers	54,473	34,778
Grants and contributions from the Province	418	19,995
Program revenue	180	59
Total	55,071	54,832
Expenses		
Visitor experiences	769	883
Support services	275	283
Consumer marketing	4	35
Partnership marketing	3	1
Total	1,051	1,202

Assets and liabilities at March 31 with related parties were:

	2009	2008
Receivables		
Hotel tax transfers	4,691	4,029
Program revenue	124	8
Total	4,815	4,037
Payables and accruals	568	712
Deferred revenue	72	218

13. Commitments

Tourism British Columbia has many contractual obligations, all of which contain a termination clause.

The future remaining commitments are:	2009/10	2010/11	2011/12	Beyond	Total
Contractual obligations	26,024	19,009	3,532	-	48,565
Office lease commitments	1,484	1,354	1,378	2,609	6,825
	27,508	20,363	4,910	2,609	55,390

14. Schedule of expenses

	2009	2008
Program	28,516	21,836
Salary and benefits	13,567	11,822
Professional services	7,825	7,867
Information technology	4,154	3,386
Grants and contributions	3,945	12,033
Facilities	1,758	1,795
Amortization	1,817	1,679
Travel	1,466	1,441
Other	1,849	1,966
	64,897	63,825

15. Contributions from Government of Canada

Tourism British Columbia received $2.0 million from Western Economic Diversification Program to help fund 2010 Olympic and Paralympic Winter Games marketing activities.

16. Government directed payment

Tourism British Columbia was directed by the Province to pay $3.0 million towards the construction and operation of BC House for the 2008 Summer Olympic Games held in Beijing, China.

17. Comparative figures

Certain comparative figures in the financial statements have been restated to conform with the current year presentation.

Allen Tozer
Chair
Allen Tozer was appointed to the Board in March 2002. He is President of Lexlaur Properties Inc., a hospitality and commercial property company. Mr. Tozer is a past Member of the Board of Governors of Okanagan College, Member of the Board of B.C. Assessment and Coordinator of the Okanagan Wine Festivals Society. He served as President of the Thompson Okanagan Tourism Association in 1998, and of its precursor - the Okanagan Similkameen Tourism Association - from 1995 to 1998, after serving five years as a Director.

Kevin Walker
Vice Chair
Kevin Walker was appointed in 2006 and is President and CEO of Walker Hospitality which owns and operates the Oak Bay Beach Hotel and the Discovery Club in Victoria. With a career in tourism spanning 30 years, Mr. Walker has served as the President of the Victoria Hotels Association, President of the Victoria Marine Tourism Association and was Chairman of the Board for the BC Hotel Association. He was a member of the Victoria Conference Centre Advisory Committee and the Tourism Victoria Destination Marketing Commission. Mr. Walker is also Past Chairman of the Board of the Hotel Association of Canada. In 2005 he received the prestigious "BC Tourism Industry Leader of the Year" award and in 2007 received Tourism Victoria's Miracle Award.

Bill Barkley
Bill Barkley was appointed in 2006 and is very well known in museum, heritage and tourism circles. He spent 24 years in management at the Royal British Columbia Museum and was the CEO from 1984 to his retirement in 2001. Mr. Barkley is a busy cultural consultant for projects across Canada. He serves on several boards including the Canadian Museum for Human Rights, the Nature Conservancy of Canada, the Federation of Canadian Friends of Museums, and as Chair of the Virtual Museum of Canada.

David Brownlie
Dave Brownlie was appointed in 2006 and is Chair of the Audit Committee. He is the President and Chief Operating Officer of Whistler Blackcomb Mountain Resorts Limited. Originally appointed as Director of Finance in 1989, Mr. Brownlie has been integral to the vision, growth and success of the organization over the last 20 years. He also serves as President of the Whistler Blackcomb Foundation and as a member of the Board of Directors for Tourism Whistler. Mr. Brownlie is a member of the Institute of Chartered Accountants of British Columbia and holds a Bachelor of Commerce from the University of British Columbia.

Michael Campbell
Michael Campbell was appointed in 2007 and is the Managing Partner of the Best Western Inn at Penticton and the immediate Past President of the Council of Tourism Associations. Mr. Campbell is the co-founder of the Pentastic Hot Jazz Festival and has been involved in the tourism industry for over 35 years. He is Past President of the Penticton Motel and Campground Owners Association, the Penticton Chamber of Commerce, Past Vice President of the Thompson Okanagan Tourism Association, Past Director of the Okanagan Wine Festival and Past Chair of the Ironman Canada Race Society.

Andrew Cohen
Andrew Cohen was appointed in 2008. He is the General Manager for Resorts of the Canadian Rockies, BC Division, responsible for the operations of Fernie and Kimberley Alpine Resorts and the Trickle Creek Golf Course. Mr. Cohen has spent more than 25 years working in the mountain resort industry both in the United States and Canada. He is currently serving, or has served on a variety of Boards, including Kootenay Rockies Regional Economic Alliance, Canada West Ski Areas Association, Tourism Kimberley, Tourism Fernie and is the Chair of the FLY YXC Alliance, responsible for bringing Delta Air Lines service into Cranbrook. Mr. Cohen has also served as President of the Canadian Professional Ski Schools. He is a past Examiner and Level IV, Canadian Ski Instructors' Alliance and was an Examiner and Educator for the Professional Ski Instructors of America.

Harley Elias
Harley Elias was appointed in 2005 and is a Director of the RiverCorp, parent company of Tourism Campbell River and Region. He is Chair of the Governance Standing Committee. Mr. Elias has a broad-ranging background in tourism education, market research, hospitality, consulting, resort operations and management. Mr. Elias also serves as Co-Chair of the Board of the BC Centre for Tourism Leadership and Innovation.

Terry Farmer
Terry Farmer was appointed to the Board in April 2004 and is Chair of the Human Resources Standing Committee. Mr. Farmer is the Founder and Chair of Accent Inns Inc. He is Past President of the BC Chamber of Commerce and has sat on many tourism business and charity boards. In 1998, he was awarded the Entrepreneur of the Year Award for Tourism and Hospitality (Pacific Region) and received an Honorary Doctor of Laws from Royal Roads University.

Debbie McKinney
Debbie McKinney was appointed in 2006 and is General Manager, Group Sales & Marketing with one of British Columbia's most popular, historic, unique and private visitor attractions - Hell's Gate Airtram. She has had extensive industry involvement with the Vancouver Attractions Group, the Council of Tourism Associations, Past President of Vancouver, Coast & Mountains Tourism Region, and other various tourism organizations. She currently sits on the TBC Governance Standing Committee and the Visitor Services Committee.

Laird Miller
Laird Miller was appointed in 2008 and is the Chief Financial Officer and Chief Privacy Officer of London Drugs. He is also the Chief Financial Officer and Chief Privacy Officer of Sonora Resort, a BC luxury wilderness resort and London Air Services, an Executive Charter Airline. With a background in Forestry and over 10 years in public practice, he brings a wide array of experience including developing financial systems, insurance, risk management and privacy compliance spanning the hospitality, airline and retail industries.

Judith Sayers
Ms. Sayers was appointed in 2007 and is the chief Negotiator for the Hupacasath First Nation in Port Alberni. She is the former chief of the Hupacasath First Nation, a position she held for 14 years. She has extensive experience as a lawyer, negotiator, business person and writer. Her educational background includes a business degree, and a law degree from the University of British Columbia. Ms. Sayers is an active board member with a variety of organizations including the Pacific Salmon Foundation, the New Relationship Trust, the Canadian Electricity Advisory Board and the Island Corridor Foundation. In February 2009 Ms. Sayers was admitted to the Canadian Council of Aboriginal Business, Aboriginal Business Hall of Fame. She also received a Silver Canadian Environmental Award in the Climate Change category for her work in the Run of the River project.

Mike Smith
Mike Smith was appointed in 2006 and is a Principal, Links Investments Ltd, a consulting/management business focusing on the golf industry in British Columbia. He was the owner/operator of a successful group of retail stores in the Kootenay Rockies and has had extensive experience in destination marketing. Currently Chair of Kootenay Rockies Tourism, Mr.Smith has contributed tremendously to the development of the tourism industry in British Columbia.

Shaun Stevenson
Mr. Stevenson was appointed in 2007. He is the Vice President, Marketing and Business Development for the Prince Rupert Port Authority, which he joined in 2007. Mr. Stevenson holds a Bachelors degree in Administrative Studies and a Diploma of Marketing Management from the British Columbia Institute of Technology. He is past President of the Northern British Columbia Tourism Association and Tourism Prince Rupert, Director of Cruise British Columbia, and has participated in various tourism, economic development and international trade initiatives across the province of British Columbia.

Nancy Stibbard
Nancy Stibbard was appointed in 2008 and is President and Owner of the Capilano Group of Companies. She won Business in Vancouver's Influential Women in Business Award in 2000, Ernst and Young's 1996 Entrepreneur of the Year Award for Hospitality/Tourism in Pacific Canada and British Columbia Woman Entrepreneur Award in 1992. In 2003, Treetops Adventure and Capilano Suspension Bridge was awarded Business of the Year at the Tourism Industry of Canada's inaugural National Tourism Excellence Awards and followed this up with Innovator of the Year in 2004. In 2007, she was inducted into the Canadian Tourism Hall of Fame. Ms. Stibbard has chaired Tourism Vancouver, and Vancouver, Coast & Mountains Tourism Region Boards and was a member of the Vancouver Convention Centre Expansion Task Force.

Chris Zimmerman
Chris Zimmerman was appointed in 2008 and is the President and Chief Executive Officer of the Vancouver Canucks and Canucks Sports and Entertainment. He joined the organization in 2006 after three years as President and Chief Executive Officer of Nike Bauer Hockey Inc. Prior to this, Mr. Zimmerman was the General Manager of Nike Golf USA, and spent 16 years in a variety of senior advertising positions including USA Advertising Director for the Nike brand and Senior Vice President at Saatchi and Saatchi Advertising in New York. He currently serves as a Board member of the Canucks for Kids Fund and Ritchie Brothers; and, as an alternate Governor for the National Hockey League Board of Governors.

2008 – 2009 STANDING COMMITTEES OF THE BOARD

The Audit Committee reports to the Board of Directors on financial and administrative issues and oversees systems of financial control, reporting and audit.

Members:
Dave Brownlie, CA (Chair), Laird Miller, CA, Allen Tozer

The Human Resources Committee reports to the Board of Directors on human resource issues and oversees compensation practices of the Corporation, succession planning and corporate development.

Members:
Terry Farmer (Chair), Bill Barkley

The Governance Committee assists the Board of Directors with best governance practices and with the nomination and recommendation to the Minister responsible and Lieutenant Governor in Council, of the recommended candidates to fill Board seats, as member's terms expire.

Members:
Harley Elias (Chair), Michael Campbell, Debbie McKinney

The Board Chair and Vice Chair have an open invitation to sit on any Board Committee.

TOURISM BRITISH COLUMBIA SENIOR MANAGEMENT

Rod J. Harris, *President and Chief Executive Officer*
Rod Harris was appointed President and CEO of Tourism British Columbia upon its establishment as a Crown corporation in 1997. He has held senior management positions in the private and public sectors, including serving on the Board of the Canadian Tourism Commission.

Grant Mackay, *Vice President, Consumer Marketing*
Grant Mackay was appointed Vice President of Consumer Marketing (formerly Marketing and Sales) in 1997, and is responsible for developing Tourism British Columbia's marketing and sales strategies. He joined Tourism British Columbia in 1995 after 17 years of management experience in the packaged-goods industry.

Susan Rybar, *Vice President, Visitor Experiences*
Susan Rybar was appointed Vice President of Visitor Experiences in 2008 and is responsible for the development, implementation and evaluation of key programs optimizing visitor experiences and promoting growth in the tourism sector. Susan joined Tourism British Columbia in 2004 as Manager of North American Consumer Marketing and most recently held the position of Publication Director and General Manager of **British Columbia Magazine**™. She brings more than 15 years of marketing and management experience.

Don Foxgord, *Vice President, Partnership Marketing*
Don Foxgord was appointed Vice President of Partnership Marketing (formerly Business Development) in 1997 and is responsible for business development, **British Columbia Magazine**™ and industry development. He joined Tourism British Columbia in 1987 after four years as regional manager of the British Columbia Rockies tourism region and has extensive tourism development experience.

Raymond Chan, *Vice President, 2010 and Corporate Relations*
Raymond Chan joined Tourism British Columbia in 1997, providing leadership on projects such as Tourism British Columbia's transition to a Crown corporation. In 2005, he took on responsibility for managing the growing opportunities resulting from the 2010 Olympic and Paralympic Winter Games. As part of this role, he chairs the 2010 Tourism Consortium, a partnership of the host tourism destinations of British Columbia, Vancouver, Whistler, Richmond, and Canada. Prior to joining Tourism BC, he held senior positions with the Province of BC.

Len Dawes, CA, *Vice President & Chief Financial Officer, Corporate Services*
Len Dawes has been with Tourism British Columbia since 1998 and is responsible for Tourism BC's financial, information and administrative systems. Len is a chartered accountant, and prior to joining Tourism British Columbia, worked in the private and public sector.

Rose Moss, *Vice President, Human Resource Development*
Rose Moss was originally appointed Vice President of Human Resources in 2000. She is responsible for developing and implementing Tourism British Columbia's human resource infrastructure and has extensive HR experience in the private and public sectors.

Nigel Collett, *Chief Information Officer, Information Technology*
Nigel Collett was appointed Director of Information Technology in 2000 and is now the Chief Information Officer encompassing the technology required to effectively run an organization and the definition and execution of technology strategies to support all facets of the business. Nigel started his technology career with a 12 year tenure in the Lloyds of London Marketplace followed by five years with Terasen Gas shortly after arriving from the UK.

GLOSSARY

Many of these terms are relevant for the British Columbia tourism industry.

ADS – Approved Destination Status (with China)

CFDC – Community Futures Development Corporation

CICA – Canadian Institute of Chartered Accountants

COTA – Council of Tourism Associations of BC

CTC – Canadian Tourism Commission

DMO – Destination Marketing Organization

DMS – Destination Management System

FIT – Fully Independent Travel

FAM – Familiarization Tour of Tourism Product

HRD – Human Resource Development (British Columbia Tourism HRD Task Force)

IAGTO – International Association of Golf Tour Operators

ITB – International Tourism Bourse

RDMO – Regional Destination Marketing Organization

SICEAI – Softwood Industry Community Economic Adjustment Initiative

TAWNC – Tourism Alliance for Western and Northern Canada

TIAC – Tourism Industry Association of Canada

TIC – Tourism Industry Conference

UBCM – Union of British Columbia Municipalities

WED – Western Economic Diversification

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